REGULATION No. IX OF 1894.

(PASSED ON THE 29TH DAY OF SEPETMBER 1894.)

A Regulation relating to Government Securities.

Preamble. Whereas it is expedient to provide a law relating to Government securities; His Highness the Maharaja is pleased to enact as follows:—

Short title and commencement. **1.** (1) This Regulation may be called "The Government Securities Regulation, 1894"; and

(2) It shall come into force on the 1st day of November 1894.

(3) The power conferred on the Government of Mysore by section 6, sub-section (1), may be exercised at any time after the passing of this Regulation; but a notification issued in exercise of that power shall not take effect until the Regulation comes into force.

Definitions. **2.** In this Regulation—

(1) "Government Security" includes promissory notes, debentures, and all other securities issued by the Government of Mysore in respect of any loan contracted either before or after the passing of this Regulation, and

(2) "prescribed" means prescribed by rules made by the Government of Mysore.

Notice of trust not receivable. **3.** No notice of any trust in respect of any Government Security shall be receivable by the Government.

Right of survivors of joint payees of Government securities. **4.** (1) Notwithstanding anything in the Indian Contract Act, 1872, section 45, when a Government security is payable to two or more persons jointly and either or any of them dies, the security shall be payable to the survivor or survivors of those persons.

(2) Nothing herein contained shall affect any claim which the representative of the deceased person may have against the survivor or survivors in respect of the security jointly payable to him or them and the deceased.

(3) This section shall apply whether the death of the person to whom the security was jointly payable occurred or occurs before or after this Regulation comes into force.

Sections 5-7.

Prohibition of indorsements on allonges to Government securities.

5. Notwithstanding anything in any law in force in Mysore, the holder of a Government security shall not be said to indorse the security, or be called the indorser thereof, if, when he signs the same for the purpose of negotiation, he inscribes his signature for that purpose elsewhere than on the back of the security itself.

Holding of Government securities by holders for the time being of public offices.

6. (1) In the case of any public office to which the Government of Mysore may, from time to time, by notification in the official Gazette, declare this sub-section to apply, a Government security may be made or indorsed payable to or to the order of the holder for the time being of the office by the name of the office.

(2) When a Government security is made or indorsed as aforesaid, it shall be deemed to be transferred without any or further indorsement from each holder for the time being of the office to the succeeding holder for the time being of the office on and from the date on which the latter takes charge of the office.

(3) When the holder for the time being of the office indorses to a third party a Government security made or indorsed as aforesaid, he shall subscribe the indorsement with his name and the name of the office.

(4) A writing on a Government security now or heretofore standing in the name of the holder of a public office, whereby the security has been or was made or indorsed payable to or to the order of the holder of the office for the time being, shall not be deemed to be or to have been invalid by reason only of the payee or indorsee being the holder for the time being of a public office by the name of the office.

(5) This section applies as well to an office of which there are two or more joint-holders as to an office of which there is a single holder.

Transfer and discharge of certificates and coupons.

7. (1) Whenever the Government of Mysore has issued, in respect of any loan, a certificate declaring the bearer thereof to be entitled to the portion of the loan therein expressed, or a coupon for any amount payable as interest on any portion of the loan, the title to the certificate or coupon may be transferred as if the certificate or coupon were a promissory note payable to bearer.

(2) On payment, by or on behalf of the Government, to the bearer of the certificate or coupon, of the amount expressed therein, at or after the date on which it becomes due, the Government shall be discharged as if the certificate or coupon were a promissory note payable to bearer.

Indorser of Government security not liable for amount thereof.

8. A person shall not, by reason only of his having indorsed a Government security, be liable to pay any money due, either as principal or as interest, thereunder.

Impression of signature on Government securities.

9. (1) The signature of the office of the Government of Mysore authorized to sign Government securities on behalf of the Government may be printed, engraved or lithographed, or impressed by such other mechanical process as the Government may direct, on the securities.

(2) A signature so printed, engraved, lithographed or otherwise impressed shall be as valid as if it had been inscribed in the proper hand-writing of the officer.

Issue of renewed securities.

10. A person claiming to be entitled to a Government security as payable to him under an indorsement may, on satisfying the prescribed officer of the justice of his claim and paying the prescribed fee and delivering the security duly receipted to the prescribed officer, obtain from the officer a renewed security issued payable to himself.

Issue of duplicate securities.

11. (1) When a Government security is alleged to have been wholly or partly lost or destroyed, and a person claims to be the person to whom but for the loss or destruction it would be payable, he may, on application to the prescribed officer, and on producing proof to his satisfaction of the loss or destruction and of the justice of the claim, obtain from him an order for—

(*a*) the payment of interest in respect of the security said to be lost or destroyed pending the issue of a duplicate security; and

(*b*) the issue after the prescribed period of a duplicate security payable to the applicant.

(2) An order shall not be passed under sub-section (1) until after the issue of the prescribed notification of the loss or destruction and after the expiration of the prescribed period, nor until the applicant has given the prescribed indemnity against the claims of all persons deriving title under the security lost or destroyed.

(3) A list of the securities in respect of which an order is passed under sub-section (1) shall be published in the official Gazette at such times as the Government of Mysore may, from time to time, direct.

Period after which the Government is released from liabilty.

12. When a renewed security has been issued under section 10, or a duplicate security has been issued under section 11, the Government shall be discharged from all liability in respect of the

original security of which the renewed or duplicate security has been issued— in respect of original security.

(*a*) in the case of a renewed security, after the lapse of six years from the date of the issue of the renewed security;

(*b*) in the case of a duplicate security, after the lapse of six years from the date of the publication under section 11, sub-section (3), of the list in which the security is first mentioned, or from the date of the last payment of interest on the original security, whichever date is the later.

13. The Government of Mysore may, from time to time, make rules to prescribe— Power of Government to make rules.

(*a*) the mode in which payment of interest in respect of Government securities is to be recorded and acknowledged;

(*b*) the circumstances in which Government securities must be renewed before further payment of interest thereon can be claimed;

(*c*) the fees to be paid in respect of applications under sections 10 and 11;

(*d*) the form in which securities delivered for renewal are to be receipted;

(*e*) the officer who is to exercise all or any of the powers and perform all or any of the duties prescribed by sections 10 and 11;

(*f*) the proof which is to be produced by persons applying for duplicate securities;

(*g*) the form and mode of publication of the notification mentioned in section 11, and the period after which interest may be paid or a duplicate security may be issued under that section;

(*h*) the nature and amount of the indemnity to be given by a person applying under section 11 for the payment of interest or the issue of a duplicate security; and,

(*i*) generally, all matters connected with the grant of renewed and duplicate securities.

14. (1) The Government of Mysore shall, before making rules under section 13, publish a draft of the proposed rules in such manner as may, in its opinion, be sufficient for the information of the public. Publication of drafts and rules.

(2) There shall be published with the draft a notice specifying a date at or after which the draft will be taken into consideration.

Section 14.

(3) The Government of Mysore shall receive and consider any objection or suggestion which may be made by any person with respect to the draft before the date so specified.

(4) Every rule made under section 13 shall be published in the official Gazette, and the publication in that Gazette of a rule purporting to be made under that section shall be conclusive proof that it has been duly made.